

EXECUTIVE OFFICE,
AUSTIN, TEXAS, April 17, 1893.

To the House of Representatives:

Herewith I return to your honorable body, with my objections thereto, House bill No. 566, which is an act to ratify and confirm the action of the city of Houston, through its council in issuing certain public bonds, and to validate them, received in the Executive office on the 7th day of this month.

Aside from the constitutional question involved as to the authority of the Legislature to validate any such bonds, there is a very important question presented on the face of the act which I can not agree to as a precedent. The preamble in the bill, among other things, declares that "a large amount of said bonds have been sold for more than their par value upon the condition that in order to avoid any question as to their validity under the charter of said city and the laws of the State of Texas, the Legislature of the State shall pass an act validating the same and ratify the special assessment made for the interest and sinking fund thereon. In other words, it seems that the city authorities and the purchasers of those bonds, before they were executed, or immediately thereafter, understood for some reason that they were not authorized or valid, and a contract was entered into conditioned that the Legislature should validate them. This act as a consequence was passed, not to cure some unintentional omission or irregularity in their execution, but to ratify a trade made upon the express condition that the Legislature should make the bonds lawful and valid. The amount involved is \$100,000, purporting to have been received for public school purposes by the city of Houston. If the law was constitutional (and it certainly is not) the precedent made by such an agreement would be against public policy, and for this reason alone I could not agree to it.

The city of Houston and all other municipalities of this State have very liberal charters, authorizing them to incur most all kinds of public indebtedness to a limit that appears excessive and unreasonable. The time will be reached when these public obligations must be a menace to the happiness and liberties of the people. This time will be much hastened if the Legislature, in addition to the powers grant-

ed to the various cities, shall establish the precedent proposed by this bill. Precedents to be wholesome must be sound. Once established they are insisted on as a right and are often blindly followed. If Houston can make a contract to bind the Legislature to validate its unlawful acts, there can be no reason why other cities should not do so. The result would be, that when they have exhausted their charter powers to bind the people, they may enter into contracts to have the Legislature validate their unlawful acts, and thus go on without limit or restraint in loading posterity with debts to meet the extravagant demands of the present age. Fortunately, the Constitution, by article 3, section 53, will not permit this, for it provides that: "The Legislature shall have no power to authorize the payment of any claims created against any county or municipality under an agreement or contract made without authority of law." Upon the face of this proposed bill it appears that the bonds were probably issued without authority of the city charter or the State laws, and for this reason they are pressed upon the Legislature for validation. If they were issued without authority, the Legislature can not validate them. If they were issued by lawful authority, then there can be no necessity for the act. At all events, the precedent is bad if not unconstitutional, and I must, out of consideration of a healthful public policy if for no other reason, oppose it.

Very respectfully,

J. S. Hogg,
Governor of Texas.